VZCZCXRO6272 OO RUEHLH RUEHPW DE RUEHIL #1065/01 1371224 ZNY CCCCC ZZH O 171224Z MAY 09 FM AMEMBASSY ISLAMABAD TO RUEHC/SECSTATE WASHDC IMMEDIATE 2764 INFO RUEHBUL/AMEMBASSY KABUL PRIORITY 0279 RUEHLO/AMEMBASSY LONDON PRIORITY 0347 RUEHNE/AMEMBASSY NEW DELHI PRIORITY 4893 RUEHKP/AMCONSUL KARACHI PRIORITY 1628 RUEHLH/AMCONSUL LAHORE PRIORITY 7230 RUEHPW/AMCONSUL PESHAWAR PRIORITY 6171 RUEKJCS/SECDEF WASHINGTON DC PRIORITY RUEKJCS/JOINT STAFF WASHINGTON DC PRIORITY RUEAIIA/CIA WASHINGTON DC PRIORITY RHMFISS/CDR USCENTCOM MACDILL AFB FL PRIORITY

C O N F I D E N T I A L SECTION 01 OF 03 ISLAMABAD 001065

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SUBJECT: THE ALL PARTIES CONFERENCE GAMBLE

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Classified By: Anne W. Patterson, for reasons 1.4 (b)(d)

- 11. (C) Summary. Ahead of the All Parties Conference (APC) on May 18, Ambassador called both PM Gilani and Nawaz Sharif to encourage their support for a strong political statement endorsing military action. Gilani assured the Ambassador the APC would yield a broad political consensus for action; Nawaz admitted that some in his party had backpedaled recently and said he would discuss this at a party meeting ahead of the APC. To prepare the ground, the parliament debated the situation May 14-15; Chief of Army Staff General Kayani gave a closed-door operations briefing to key political party leaders; Gilani chaired a Pakistan People's Party meeting focused on responding to the IDP crisis. Gilani estimated that the GOP will need 8-10 billion rupees (approximately USD 100 million) to manage emergency relief and the initial return of IDPs to their homes.
- 12. (C) Despite these consultations, the APC is a gamble that likely will yield a weak consensus statement of support for military action. As a sop to the religious parties that oppose military operations and weakening PML-N support, however, we may also see a renewed call for dialogue, albeit from a perceived position of military strength. Nawaz, as an opposition leader with his eye on again becoming Prime Minister, is trying both to please his conservative/religious constituency and earn the goodwill of the U.S. Post will continue to press Nawaz to remain firm in supporting Army operations and urge both Gilani and Nawaz to avoid a hasty fallback on dialogue. End Summary
- 13. (C) PM Gilani told the National Assembly May 14 that he was calling an all parties conference (APC) May 18 "to marshal broad political support for the ongoing military campaign against brutal militants." Gilani was responding to a written request by Pakistan Muslim League-N (PML-N) leader Nawaz Sharif. Minister for Parliamentary Affairs Babar Awan told Polcouns May 17 that the PM had put off the APC for as long as possible but finally had to agree to schedule it under pressure from several political parties. Gilani, said Awan, deliberately had held off calling the APC until after combat began out of concern that weak support and advance warning of military operations would undermine the military campaign.
- 14. (C) Chief of Army Staff General Kayani and DG for Military Operations MG Iqbal May 15 gave key parliamentary leaders a closed-door briefing on military operations. To prepare for the APC, Gilani called a Central Executive Committee (CEC) meeting of the Pakistan People's Party (PPP)

- on May 16. Since the APC has been called by PM Gilani, Awan did not expect that President Zardari would be present for the meeting (although Zardari is scheduled to return to Pakistan May 18 before heading to Iran).
- 15. (C) Gilani assured Ambassador May 16 that the APC would be successful in delivering a broad statement of consensus in support of military operations. Others are not as sanguine. PPP CEC member Sherry Rehman told Polcouns May 16 that the APC would just provide a venue for those, especially the religious parties, to undermine the government's firm support of military action. Several local editorials over the past week have made the same point. Rehman, who in October 2008 had negotiated the first consensus parliamentary 14-point resolution (reftel) against militancy, recalled the battle it had taken to produce even a watered-down statement and predicted this APC would face the same problems. Babar Awan admitted the PPP needed a strategy to get the religious parties on board and said he was meeting with the PM on May 17 to hammer out this strategy.

A Return to Dialogue?

16. (C) Awan predicted that Jamiat Ulema-e-Islam's Falzur Rehman, who leads the largest religious party, would stay on the fence. He noted that Fazlur had been making media statements against the military campaign but had not bothered to visit the camps for internally displaced persons (IDPs). "He is playing to the crowds," said Awan. As yet, Awan did not have a plan to win support from Jamaat-e-Islami (JI) or

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Imran Khan's Pakistan Tehreek Insaaf (PTI), both of which relentlessly have accused the government of pursuing military action only to please the U.S. In his speech before parliament on May 15, Awan broadly hinted at the government's approach, which will be to bring back the "dialogue" pillar of the government's 3D strategy (dialogue, development, deterrence). Making what he called an offer on behalf of the PM, Awan described a formula for dialogue with the militants: "remove your masks, come in the open, put the guns down...only then can talks be successful." When pressed about his remarks, Awan dismissed dialogue as a credible option and suggested the PPP would use it only as a political sop for the religious parties.

PML-N Wavering

¶7. (C) Beginning with his USA Today interview on April 20, Pakistan Muslim League-N (PML-N) leader Nawaz Sharif appeared to be backing government action against the taliban. On May 8, he gave an interview to local Dunya TV in which he offered the government "unconditional" support because of the grave crisis facing Pakistan. On May 15, PML-N Punjab Chief Minister Shahbaz Sharif in a visit to an IDP camp said that the war against terrorism is being fought for the survival of the country. Nawaz also visited an IDP camp near Mardan, and the party (along with others) is delivering relief supplies to the IDPs. However, PML-N support for military action is not universal. During parliamentary debates May 14-15, PML-N leader Javed Hashmi offered to go to Swat to open a dialogue with the taliban because, he said, Pakistan could not afford to combat terrorism for a long time. PML-N Saad Rafik also supported dialogue and urged that the armed forces be withdrawn from the troubled areas. PML-N Khurram Khan termed NATO forces a major threat to the country and said the government was following U.S. dictates just like former President Musharraf did. Awan noted the significant shift of PML-N leaders in the May 15 parliamentary debates and reported that PML-N leaders had been criticized harshly in the Urdu papers May 17 for "weeping tears for the taliban." Sherry Rehman believed that PML-N was being politically pragmatic by "keeping its options open and being deliberately ambiguous."

18. (C) Ambassador called Nawaz Sharif May 15 to urge he remain supportive of military action during the APC. After pleasantries and congratulating him for the relief efforts by Punjab, she told him that we had been impressed with Shabbaz' statements for the government's military efforts in the past couple of days but noticed a different approach from others in his party. She asked if he were going to attend the APC, and he said that he would. Noting he was "the most popular politician" in the country, Ambassador said that Nawaz's political support for the response to an existential threat to Pakistan had been very valuable. All the high level USG visitors he had seen in the past several weeks have been very heartened by his support for the military effort. He said that he fully supported the government, but he knew that some in parliament had not been as strong. He was having a party meeting May 15 and would discuss the issue.

IDP Situation

19. (C) Gilani told Ambassador he had made a special effort to appoint LtGen Nadeem to lead the GOP's Special Support Group for IDP relief; Ambassador responded that we were quite pleased to work again with Nadeem and had provided humanitiaran and military support to the GOP's operations. Gilani, Awan and Sherry Rehman all confirmed that the focus of the PPP's CEC meeting had been on the IDP situation and the importance to the military campaign of meeting IDP needs. Awan said that, absent a "big mistake" by the government, public opinion in support of military action would hold if they could get the IDP issue right. They were focusing on three stages: the current one, in which the focus was on meeting immediate needs; then the push to get IDPs back into their home villages; and finally, the need for long-term rehabilitation. Pakistan needed U.S. support to convince the world community to assist. PM Gilani estimated that the GOP would need 8-10 billion RS (approximately USD 100 million) to support stages one and two. Awan also expressed concern about rebuilding law enforcement capacity soonest because the

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Army could not/must not remain in the area any longer than necessary. Polcouns repeated the USG offer to assist immediately with rebuilding/strengthening police stations in Peshawar and Malakand.

- 110. (C) Comment: Gilani's May 7 call for war against the taliban was a rare display of civilian political resolve. Particularly after eight years of military rule, the failed PPP/PML-N coalition of 2008, and uncertainty about the Army's resolve/capability to remain in the fight, the political parties are groping for a formula on how to work together in the face of the current crisis. The APC is a gamble, and it probably will yield a weak statement of support for military operations that includes a reference to renewed dialogue when the government can negotiate from a position of strength. Some taliban commanders reportedly are surrendering, there are unconfirmed reports that some locals pressed into taliban service are deserting, and IDPs are expressing strong opposition to the taliban. At some point, we expect the Army will support political dialogue—the question remains with whom and on what terms.
- 111. (C) Some suggest that Gilani was manipulated into calling the APC by Nawaz Sharif; however, Gilani is proud of his ability to build consensus and clearly believes he needs even a compromise statement to move forward against the taliban. Nawaz is playing on several fronts. We believe he understands the existential nature of the taliban threat to Pakistan, but as an opposition leader with his eye on returning as Prime Minister, he wants both to keep the support of the conservative, religious right and earn the goodwill of the United States. We will continue to press Nawaz to support necessary military action and urge both the PPP and PML-N to avoid a hasty fallback to dialogue.